

steamship, telegraph, and telephone lines without charge/ The country is on the silver basis, the unit being the peso of twenty-five grams.²

The Republic of Salvador contains three banks of issue, with special charters granted by the government, under the provisions of a general law. The banks are allowed to issue notes to the amount of twice their subscribed capital, but are required to hold forty per cent, of the amount of the circulation in silver coin. The outstanding issues are about 4,000,-000 pesos and cash resources are 1,600,000 pesos in silver.³

Honduras has a single bank of issue,—the Bank of Honduras. The country is on the silver basis, and the bank notes are redeemed in silver pesos. The amount in circulation at the close of 1906 was \$537,715.*

Haiti and Santo Domingo.

" The exclusive privilege of issuing bills to bearer, payable in specie on presentation/⁵ was conferred on the National Bank of Haiti by the decree of the National Assembly of April 1, 1880. The Bank was founded by French capitalists, with a capital of 10,000,000 francs (\$2,000,000), and its privileges were conferred for fifty years. The charter required the coin reserve to equal at least one-third of the circulation and made the notes legal tender throughout the republic. The founders of the bank secured from the government a pledge to adopt a national currency and this was done by making the gourde the unit (equal to five French francs) and providing for gold and silver coinage at the Paris mint. The government went further and violated the privileges of the bank by issuing a national paper currency, amounting to 1,000,000 gourdes in 1884, and eventually to 6,200,000 gourdes.⁸ The amount has been somewhat reduced, but has in the meantime deranged the financial sys-

¹ *Report of the Comptroller of the Currency, 1895*, 106.

² Meliot, 169.

³ Muhleman, 160.

⁴ *Report of the Director of the Mint ^ 1907*, 242.

* *Comptroller's Report ^ 1 ^ 5*, Letter of Minister John B. Ferris, 86.